

## APPENDIX C

Distribution of 1993, 1994, 1995, 1996, and 1997 Cable Royalty Funds  
Docket No. 2000-2 CARP CD 93-97  
Phase II Program Supplier Category

### TESTIMONY AND PLEADINGS RELEVANT TO THE MOTION TO DISMISS

#### **Galaz Testimony Regarding Independent Producers Group** (Page Numbers in Parentheses Refer to Similar Testimony)

<u>Document</u>		<u>Page</u>	<u>Statement/Testimony</u>
Direct Case of IPG		2	"I am the President, founder and authorized representative of Independent Producers Group ("IPG")."
Direct Case of IPG		2	"IPG is an entity that was formed in response to a bias evident in the distribution methodology historically utilized by Program Suppliers ... ."
Direct Case of IPG		2	"Thus, IPG was created in order to develop an alternative to the MPAA Methodology."
Direct Case of IPG		3	"IPG currently represents only the claims presented by Worldwide Subsidy Group ("WSG"), a claimant in the above proceedings."
1/11/01	Transcript	844	"At that point [spring or summer of 1999] ... there was a notice issued in the <u>Federal Register</u> for the required filing of the notice of intent to participate in these particular proceedings. At that point, anticipating that we might in the future start representing parties that historically have not participated in this.

1/11/01	Transcript	844-45	It seemed to make more sense, once again, in that circumstance where here in these proceedings the royalties that are distributed are not characterized as subsidies, to use a different name, a name that would, I think, hold us out in contrast to the Motion Picture Association of America ... . Contrary to that are independents, independent film makers, independent producers. That's why we then started calling ourselves Independent Producers Group, called IPG, but without need or desire to set up an entirely different company in order to do so.
1/11/01	Transcript	845 (935-36) (984) (987)	"IPG then is a fictitious business name for WSG Texas. Worldwide Subsidy Group in Los Angeles, excuse me, California, is a fictitious business name for Artists Collection Group [sic]. It's as simple as that."
1/11/01	Transcript	845	"At that point [May, 2000] after moving there [Texas], all assets and obligations of ACG doing business as Worldwide Subsidy Group were transferred to Worldwide Subsidy Group doing business as IPG."
1/11/01	Transcript	846	"... [R]oughly around May of 2000, we filed a ... Certificate of Dissolution in California for ACG doing business as Worldwide Subsidy Group. There are provisions in California that allow a company that has filed its dissolution papers, nevertheless [to] conduct business for the purpose of winding up its affairs and it was upon that basis that we filed those dissolution papers."
1/12/01	Transcript	983	Q: Isn't it a little redundant to say that you were president and authorized representative in the sense that the president of a corporation at least would typically be a corporate officer with authority to speak for the corporation. A: "Yes."

Q: And, in fact, Independent Producers Group is not a corporation.

A: "Correct."

1/12/01      Transcript      989      Q: But have you ever filed a fictitious name or d.b.a. notice for IPG in California.  
A: "I don't recall that, no."

### **Galaz Testimony Regarding Worldwide Subsidy Group "WSG"**

Direct Case of IPG 3, n.2      "Pursuant to 17 U.S.C. Section 111, Artist Collections Group/Worldwide Subsidy Group jointly made claim to cable retransmission royalties collected by the U.S. Copyright Office attributable to the 1997 calendar year."  
"Subsequent to filing of the joint claim, IPG determined that only WSG represents programs entitled [to] 1997 cable retransmission royalties."

1/11/01      Transcript      843      "Now ACG organized in or around I believe May of 1998."  
843      "We continued contacting owners regarding cable retransmission royalties worldwide as well as these other ancillary revenues and then right about this time we actually just almost immediately just started going by the moniker Worldwide Subsidy Group."  
843      "Worldwide Subsidy Group is simply  
992      a fictitious name for Artists Collection Group [sic], a limited liability company in California."

1/12/01      Transcript      995      Q: ...[A]t the time the Artists Collection Group [sic]/Worldwide Subsidy Group claim was filed, claim 176 that was referred to earlier, at that time Worldwide Subsidy Group had not filed a fictitious name statement for Worldwide Subsidy Group in California, is that correct? A: "Correct."

1/11/01      Transcript      996      Q: And when your representation agreements

MPAA Ex. 12x

purportedly executed prior to July 31, 1998 ... Artists Collection Group [sic] had not filed a fictitious name statement for Worldwide Group in California?

A: "At that time, correct."

Q: ... And you subsequently I think indeed did file fictitious name statements for ...

Worldwide Subsidy Group ... in September of 1999. ...

A: "Right."

### **Galaz Testimony Regarding World Wide Subsidy Group LLC -- Texas**

1/11/01	Transcript	844	"At some point ... I decided that I wanted to leave Los Angeles. ... I established a company in Texas. At that point and continuing from that point forward, we were not going to be using the moniker Artists Collection Group [sic]. So on that basis I worked WSG Texas and this was some time around -- my recollection is the spring or summer of 1999.
1/12/01	Transcript	1224-25	"I guess in my view, I would view the claimant to this point to be Worldwide Subsidy Group, Texas having been assigned the rights from Artist Collections Group from California."

### **Galaz Testimony Regarding Artists Collections Group LLC ("ACG")**

5/12/98	MPAA Ex. 5X		Raul Galaz files Articles of Organization for "Artist Collections Group, LLC" in the State of California
1/11/01	Transcript	841	"At that time [late 1997 or early 1998] I tried to come up with a name, business name, to work under that I thought was descriptive. Right or wrong, I came up with the name Artists Collection Group. And I'm just going to call it ACG."
1/11/01	Transcript	842	"... [A]t this point we pretty much did realize that there was somewhat of a taint associated

with use of that name [ACG] ." \*\*\* " ... [W]e started calling ourselves Worldwide Subsidy Group."

1/11/01      Transcript      936      "Registrations that we made in other countries were made under the name Artists Collection Group [sic]."  
"... [T]o the extent that Artists Collection Group [sic] has been using the name Worldwide Subsidy Group, then yes [registrations made in other countries have involved World Wide Subsidy Group in Texas]."

1/11/01      Transcript      936      "I'm not sure at this point, actually [whether World Wide Subsidy Group Texas has any involvement in my activities to collect royalties outside of this country]."